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FINANCING OF THE UNITED NATIONS MISSION FOR THE REFERENDUM IN WESTERN SAHARA

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the financial performance of the United Nations Mission for the Referendum in Western Sahara (MINURSO) for the period from 1 July 1995 to 30 June 1996 (A/51/763) and the proposed budget for the maintenance of MINURSO for the period from 1 July 1997 to 30 June 1998 (A/51/763/Add.1). During its consideration of the reports, the Advisory Committee met with representatives of the Secretary-General who provided additional information.

2. As indicated in the introduction to the report of the Secretary-General on the proposed budget report for the period from 1 July 1997 to 30 June 1998 (A/51/763/Add.1), the Security Council established MINURSO by its resolution 690 (1991) of 29 April 1991. The mandate of MINURSO has been extended by subsequent Security Council resolutions, the latest of which (S/RES/1084 (1996) of 27 November 1996) extended the mandate of MINURSO until 31 May 1997.

3. As indicated in paragraph 7 of that report, resources made available to the Mission from its inception to 30 June 1997 amount to $278,328,700 gross ($262,259,700 net). Of this amount, credits returned to Member States amounted to $2,618,600 gross ($2,217,800 net). Actual and pro forma expenditures for the same period amounted to $256,317,200 gross ($243,354,800 net). Further information in this regard is contained in annex V to the report.

4. As indicated in paragraph 8 of the same report, as at 31 January 1997, a total of $249,353,905 had been assessed on Member States for the period from inception (29 April 1991) to 30 November 1996. Contributions received for that period amounted to $206,392,138. In addition, outstanding assessments were

reduced by an amount of $630,000 pursuant to General Assembly resolution 50/83 of 15 December 1995, on normalization of the situation concerning South Africa, resulting in a shortfall of $42,331,767.

5. With regard to the status of reimbursement to troop-contributing countries, the Advisory Committee notes from paragraph 12 of the report that full reimbursement up to 30 June 1996, in accordance with the standard rates established by the General Assembly for troop costs, has been made for provision of contingent personnel. It is estimated that an amount of $271,400 is due for troop costs for the period from 1 July to 31 December 1996.

Performance report for the period 1 July 1995 to 30 June 1996

6. The Advisory Committee notes from the performance report for the period 1 July 1995 to 30 June 1996 (A/51/763) that of the total appropriation of $67,110,000 gross ($61,153,200 net), expenditures amounted to $47,717,100 gross ($44,466,100 net), resulting in an unencumbered balance of $19,392,900 gross ($16,687,100 net).

7. As indicated in paragraph 5 of the report, the unencumbered balance was primarily attributable to the non-implementation of the expansion of the Identification Commission and the suspension of its activities towards the end of the reporting period (June 1996). However, as indicated in the report of the Secretary-General to the Security Council of 19 January 1996 (S/1996/43, paras. 18 and 35), the identification process had come to a near standstill in January 1996, and a stalemate had arisen in December 1995. In view of this longer period of non-implementation of activities of the Identification Commission, the Advisory Committee believes that greater savings should have accrued during the reporting period (see, for example, paras. 10 and 14 below).

8. The Committee notes from paragraph 5 of the report of the Secretary-General (A/51/763) that savings realized from the lower actual number of civilian personnel deployed during the period accounted for 72 per cent, in gross terms, of the unencumbered balance. Additional savings, representing 10 per cent of the unencumbered balance, were also realized from the awarding of new contracts under air operations. On inquiry, the Advisory Committee was informed that additional savings, representing approximately 18 per cent of the unencumbered balance, were achieved against such items as rations (resulting from the lower actual number of civilian police observers deployed), rental of premises and transport operations.

9. The Advisory Committee notes that there is an over-expenditure of $125,300 for mission subsistence allowance for military observers. Supplementary information contained in annex II.B to the report indicates that the increase resulted from the actual number (237) of military observers deployed during the period being higher than the estimate of 231.

10. Annex IV.A, on planned and actual deployment of civilian and military personnel, shows that, with the exception of September and October 1995, during which months 231 military observers were deployed, the number of military observers deployed ranged from 232 to 269 for the remaining 10 months of the period under review. The Advisory Committee points out, however, that in

paragraph 17 of his report of 20 August 1996 (S/1996/674), the Secretary-General had indicated that the reduction of the military component by 20 per cent had been implemented gradually through the non-replacement of observers at the close of their tours of duty and that as at the end of August, the number of military personnel would have been reduced from 288 to 258 and would reach 232 by the end of September. The approved figure of 230 would be attained in October. In addition, the Committee was informed that there had been no violations of the ceasefire for more than five years. That being the case, the reason for the increased number of military observers deployed has not been fully explained in the report of the Secretary-General.

11. The Advisory Committee notes from paragraph 4 of annex II.B of the report that savings of $98,500 for troop-cost reimbursement which resulted from actual payments for 40 medical personnel rather than 48, were offset by an additional expenditure against mission subsistence allowance for 8 force orderly staff. The Advisory Committee was informed that while the 8 force orderly staff were considered contingent personnel, the nature of their service in the Mission resulted in their status being made similar to military observers; accordingly, mission subsistence allowance was provided to them in lieu of troop cost reimbursement. The Committee inquired but was not provided with further details regarding the nature of the service of the 8 force orderly staff.

12. The Advisory Committee notes from paragraph 22 of annex II.B that an additional requirement of $80,400 resulted from the actual requirement for travel being higher than the estimated provision. From the information provided in the report, the Advisory Committee believes that some of the reasons given for the additional trips seem questionable. For example, the Advisory Committee sees no justification for sending five persons from New York to the mission area in connection with the downsizing of the Mission, nor for sending two staff members (rather than one) from New York to the mission area for the installation and training of staff on the SUN payroll system.

13. The Advisory Committee welcomes the savings in the amount of $1,215,000 achieved for helicopter hire/charter costs and $452,400 for fixed-wing aircraft as a result of new contracts obtained through the bidding process (see A/51/763, annex II.B, paras. 37 and 41). The Advisory Committee trusts that the positive experience gained in MINURSO with regard to negotiation of contracts through the bidding process will be replicated in other missions.

14. Annex V to the report of the Secretary-General shows the planned and actual hours flown by the helicopters and fixed-wing aircraft. The Advisory Committee also notes the statement that owing to the decrease in hire costs (see para. 13 above), savings were realized, although the actual hours flown (2,955 for helicopters and 3,191 for fixed-wing aircraft) exceeded the provision for 2,700 hours for each type of air operation. In view of the fact that no ceasefire violations have occurred in the area of operation and of the suspension of activities of Identification Commission, the Advisory Committee questions the excessive number of hours flown, and requests that more control be introduced in the use of air operation services. In this connection, the Advisory Committee recalls its comments in its reports of 4 December 1995 and 19 April 1996 (A/50/802 and A/50/939), specifically on the efficient planning and procurement of air operations services. The Advisory Committee also draws attention to

comments on the subject of air operations contained in the report of the Board of Auditors.[1]

15. With regard to additional costs incurred for positioning and depositioning and painting and preparation for the helicopters and fixed-wing aircraft (see A/51/763, annex II.B, paras. 39, 40, 43 and 44), the Advisory Committee recommends that the possibility of including these charges in the base hire costs should be examined prior to negotiating a new contract, as had already been successfully done with regard to liability and war-risk insurance charges (ibid., para. 45).

16. With regard to the expenditure for commercial communications, the Advisory Committee notes from paragraph 52 of annex II.B that an amount of $84,600 was incurred for outstanding charges in respect of the prior period from August 1994 to June 1995. In this connection, the Advisory Committee believes that with better systems for control and disbursement, such situations could be avoided.

17. The Advisory Committee notes that in the financial performance report for the period from 1 July 1995 to 30 June 1996 an amount of $2,801,300 has been shown as unliquidated obligations. The Advisory Committee requested and received an update on the status of unliquidated obligations, namely, that for the period from 1 July 1995 to 30 June 1996 there is still an amount of $2,029,600 in unliquidated obligations relating to such items as military personnel costs ($1,230,200), civilian personnel costs ($258,900), premises ($8,800), transport operations ($98,000), air operations ($329,700), communications ($8,500), other equipment ($9,300), supplies and services ($79,600) and air and surface freight ($6,600).

18. The action to be taken by the General Assembly, as indicated in paragraph 6 of the report, is a decision to credit Member States the unencumbered balance of $19,392,900 gross ($16,687,100 net) in respect of the period from 1 July 1995 to 30 June 1996. The Advisory Committee recommends acceptance of the Secretary-General's proposal.

Cost estimates for the period from 1 July 1997 to 30 June 1998

19. To enable it to better evaluate the Secretary-General's cost estimates for MINURSO for the period from 1 July 1997 to 30 June 1998, the Advisory Committee requested that it be provided with up-to-date information on expenditure. In this connection, the Committee notes from annex II of the report of the Secretary-General (A/51/763/Add.1) that cost estimates for several items for the period from 1 July 1997 to 30 June 1998 have been "based on recent expenditure pattern". The Committee was provided the attached status-of-expenditure report for the period from 1 July to 31 December 1996 (see annex). The Committee requested but was not provided with any information that was more recent.

20. The Advisory Committee notes that for the period from 1 July 1997 to 30 June 1998 an amount of $29,107,800 gross ($27,308,400 net) has been proposed for the maintenance of MINURSO, reflecting a 9 per cent decrease in gross terms in comparison with the budget of $31,902,000 for the prior period from 1 July 1996 to 30 June 1997. As indicated in paragraph 16 of the report, requirements have been reduced in comparison to the prior 12-month period under

all headings except military and civilian personnel costs. On inquiry, the Advisory Committee was informed that the increase over the prior period was attributable to updated standard salary costs for 1997.

21. The proposed budget provides for the maintenance of MINURSO at its current authorized strength of 203 military observers, 27 military support staff, 9 civilian police, 167 civilian staff (102 international and 65 local) and 2 observers from the Organization of African Unity.

22. The Advisory Committee recalls that the Security Council, in its resolution 1084 (1996), while extending the mandate of MINURSO until 31 May 1997, requested the Secretary-General to continue to keep the staffing size and configuration of the various components of MINURSO under active review in order to ensure maximum efficiency and effectiveness, and to include in his next report ways to achieve that aim.

23. The Advisory Committee understands that the results of the review in question would be included in the next report of the Secretary-General and that it was likely that the civilian police would be withdrawn. The Advisory Committee also understands that further reductions in the other elements of the mission, especially in the civilian staffing establishment and the military observers, could be expected.

24. With regard to the current civilian staffing establishment, the Advisory Committee was informed that as of 11 February 1997 there was a 3 per cent vacancy rate for international civilian personnel and a 2 per cent vacancy rate for local civilian staff. The Advisory Committee believes that, given the current level of activities, there should be no reason to assume full incumbency of civilian personnel in the Mission and that the level of resources relating to civilian personnel could thus be reduced.

25. The Advisory Committee recalls that the Secretary-General had informed the Security Council in his report of 30 March 1995 (S/1995/240) that he had appointed an Independent Jurist whose task it was, in cooperation with the parties involved, to take steps to ensure the release of all Saharan political prisoners and detainees before the beginning of the referendum campaign. The services of the Independent Jurist are through a special service agreement on a when-actually-employed basis; the agreement calls for a maximum of 90 working days for every six-month period at the rate of $365 per working day. On inquiry, the Advisory Committee was informed that the activities of the Independent Jurist were not affected by the downsizing of the Mission, and, based on that experience, provision for travel was maintained for four round trips from Athens (his place of residence) to the mission area. The Advisory Committee was also informed that, while it was previously envisaged that two round trips by a Political or Legal Affairs Officer would be undertaken from New York to provide assistance to the Independent Jurist, this provision has been deleted owing to the fact that the services would be provided by a Political Adviser in the Office of the Acting Special Representative of the Secretary-General.

26. The Advisory Committee inquired about unliquidated obligations in respect of contingent-owned equipment and was informed that the total amount of

unliquidated obligations under contingent-owned equipment and related expenditure for the period from inception to the current period amounted to $3,859,250. Claims had yet to be submitted and processed.

27. The Advisory Committee notes from annex II.A to the report that estimates of monthly unit costs relating to travel for military observers and contingent personnel and police, premises and vehicle and aircraft insurance are higher than those for the previous period. Some of the explanations for these increased estimates have been provided in annex II.D to the report. However, with regard to additional requirements for communications equipment (30 mobile radios and 20 mobile/portable radios), the Advisory Committee was informed that, as stated in paragraph 34 of the report of the Secretary-General to the Security Council of 8 May 1996 (S/1996/343), the decrease in the military component of MINURSO would entail a slight reduction in the size of the north and south sector headquarters; this would make it necessary to upgrade the communications equipment linking the sites with one another and with MINURSO headquarters. In addition, part of the requirements would be used to replace worn/damaged equipment.

28. With regard to the lower estimates for petrol, oil and lubricants under the heading of transport operations, the Advisory Committee was informed that the estimated provision of $42,000 per month takes into account recent expenditure experience up to 30 June 1996, with averages of $48,000 per month, the decrease in the United Nations-owned vehicle fleet from 208 to 202 and projected lower requirements relating to the downsizing of the Mission from May 1996. However, the Committee would have expected to see even lower estimates under these items.

29. The Advisory Committee notes from paragraph 3 of annex II.D that the cost estimate of $107,800 against contingent-owned equipment has been shown to provide for the reimbursement to troop-contributing Governments for the usage of vehicles and other equipment at the rate of 10 per cent of the total estimated value of $1,078,129 for the budget period. On inquiry, the Advisory Committee was informed that the total value of the contingent-owned equipment of the medical support personnel consists of (a) medical equipment ($852,238); (b) medical appliances ($87,210); (c) dental appliances ($7,147); (d) orthopaedic appliances ($8,424); (e) four Korado 4 x 4 vehicles ($65,224); (f) three Korado ambulances ($44,634); and (g) one Grace ambulance ($13,252).

30. The Advisory Committee notes from paragraph 2 (g) of annex II.D that, while rotation travel for seven force orderly staff was estimated at an average cost of $3,900 in the prior budget period, the increase in the estimated cost to an average of $4,500 was based on the average of recent expenditure patterns and the various points of origin of the personnel.

31. Bearing in mind its comments and observations in the paragraphs above, the Advisory Committee recommends to the General Assembly an appropriation of the amount of $29,107,800 gross ($27,308,400 net) for the maintenance of the Mission for the period from 1 July 1997 to 30 June 1998 and the assessment of an amount of $29,107,800 gross ($27,308,400 net) at a monthly rate of $2,425,650 gross ($2,275,700 net), should the Security Council decide to extend the mandate of MINURSO beyond 31 May 1997.

Notes

[1] Official Records of the General Assembly, Fifty-first Session, Supplement No. 5 (A/51/5), vol. II.

ANNEX

United Nations Mission for the Referendum in Western Sahara

Status-of-expenditure report for the period 1 July to 31 December 1996: summary statement

(Thousands of United States dollars)

	Description	Total expenditures
1.	Military personnel costs	3 594.6
2.	Civilian personnel costs	5 591.7
3.	Premises/accommodation	83.5
4.	Infrastructure repairs	0.0
5.	Transport operations	403.7
6.	Air operations	4 047.2
7.	Naval operations	0.0
8.	Communications	179.9
9.	Other equipment	105.4
10.	Supplies and services	210.7
11.	Election-related supplies and services	0.0
12.	Public information programmes	0.0
13.	Training programmes	0.0
14.	Mine-clearing programmes	0.0
15.	Assistance for disarmament and demobilization	0.0
16.	Air surface and freight	91.5
17.	United Nations Logistics Base, Brindisi	125.6
18.	Support account for peacekeeping operations	1 159.1
19.	Income from staff assessment	872.2
	Total (gross)	16 825.1